

Congress of the United States
Washington, DC 20515

March 20, 2020

The Honorable Nancy Pelosi
Speaker
US House of Representatives
Washington, D.C. 20510

The Honorable Kevin McCarthy
Republican Leader
US House of Representatives
Washington, D.C. 20510

Dear Speaker Pelosi and Minority Leader McCarthy,

As you begin negotiating a critical emergency financial recovery package in response to the Coronavirus pandemic (COVID-19) and its devastating impact on workers, families and the economy, we ask that you prioritize robust student debt cancellation and immediate relief for the nearly 45 million student loan borrowers shouldering record levels of student loan debt.

Even before the COVID-19 pandemic, the United States was in the midst of a student loan debt crisis, with outstanding debt surpassing \$1.6 trillion, millions of borrowers in default and another borrower falling into default every 26 seconds. For borrowers in default, which predominately include people of color, low-income people and those who were preyed upon by predatory, for-profit colleges, the consequences of falling behind on these loans are disastrous.

The crushing burden of this debt is not unique to young people, three million people over the age of 60 are still struggling to pay back their student loan debt and more than 40,000 people over the age of 65 are seeing their Social Security benefits, tax refunds and other critical government benefits garnished because they have fallen behind. Congress must act swiftly and decisively in this moment to ensure that the health and safety of all communities is a top priority. During this public health emergency, no person should have to choose between paying their student loan payment, putting food on the table or keeping themselves and their families safe and healthy.

Last week, the Trump Administration announced its plans to waive student loan interest payments. This announcement falls far short of the urgent need for immediate relief for millions of workers and families that must weather this crisis. Proposals that would simply push payments down the road, like forbearance or deferment are also inadequate. These payment "pauses" are not true relief and are insufficient to meet the needs facing student loan borrowers in this critical moment.

Therefore, we respectfully request that Congressional negotiators prioritize the following relief for student loan borrowers as part of the emergency economic stimulus package:

- **Across the board student loan debt cancellation:** Cancelling student debt outright will help jumpstart the economy and make a significant difference for American families. Bicameral legislative proposals introduced in the 116th Congress, including the *Student Debt Cancellation Act* and the *Student Loan Debt Relief Act*, provide strong roadmaps for student debt cancellation. We must ensure that any economic stimulus includes significant cancellation of borrowers' outstanding balances. This cancellation can serve as a direct stimulus to the economy when we need it the most and ensure that workers and families are prioritized during this crisis.
- **Immediate monthly payment relief for student loan borrowers:** Congress should authorize the Department of Education to immediately take over the monthly payments of federal student loan borrowers during this public health emergency. By directly covering monthly payments during this public health crisis, workers and families will be able to mitigate the financial impact of unexpected costs associated with the COVID-19 epidemic. Pairing this relief with the across the board cancellation described above will ensure equity as it will provide critical relief to low-income borrowers with low income-based monthly payments who continue to struggle to pay down their debt. It is critical that we move these two components in concert so we can truly improve the financial reality our borrowers face.
- **Shield borrowers from involuntary collections and offsets during this public health crisis:** For the millions of our most economically-distressed borrowers in default, the seizure or garnishment of wages, federal salaries, Social Security Benefits, and federal income tax returns like the Earned Income Tax Credit and the Child Tax Credit) could be disastrous, particularly during this public health crisis. Congress must shield all student loan borrowers from any federal offsets that can prevent them from receiving critical benefits and supports. Congress must shield all student loan borrowers from any involuntary collections to ensure that student loan borrowers will benefit from all other stimulus legislation that includes direct payments to workers and families.

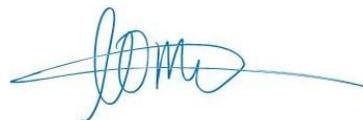
As policy makers, we have the opportunity to learn from the mistakes of the 2008 financial crisis. We must push an economic stimulus package that puts the livelihoods of vulnerable families as the top priority.

We thank you for your urgent attention to this matter and look forward to working together to ensure that any economic stimulus package provides much needed relief for our nation's student loan borrowers.

Sincerely,



Ayanna Pressley
Member of Congress



Ilhan Omar
Member of Congress

James E. Clyburn
Member of Congress

Alexandria Ocasio-Cortez
Member of Congress

Barbara Lee
Member of Congress

Earl Blumenauer
Member of Congress

Carolyn B. Maloney
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Danny K. Davis
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C.A. Dutch Ruppersberger
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Eleanor Holmes Norton
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Grace F. Napolitano
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Henry C. "Hank" Johnson, Jr.
Member of Congress

André Carson
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James McGovern
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Jesús G. "Chuy" García
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